

# Paying for outpatient prescription drugs



**“My neighbor Al’s medical conditions require him to be on a number of medications. Where can he get help to pay for his outpatient prescription drugs?”**

## FIND OUT MORE

**Prescription drug programs near you:** Call your state Department of Aging. You can get their telephone number from the Eldercare Locator. Call 1-800-677-1116 and ask for a free copy of Pharmaceutical Programs for Seniors from the U.S. Administration on Aging. You can also visit [www.eldercare.gov](http://www.eldercare.gov) on the web.

## START HERE

Medicare offers prescription drug coverage for everyone with Medicare. This coverage is called “Part D.” Medicare prescription drug coverage can protect the person you care for against higher future drug costs and give him or her access to drugs that he or she can use to stay physically and mentally healthy.

Even if the person you care for doesn’t take a lot of prescription drugs now, he or she should still consider joining a Medicare drug plan. It will be there if he or she needs it to help with drug costs.

If the person you care for has prescription drug coverage from:

- a former or current employer or union, contact his or her benefits administrator before making any changes to his or her drug coverage. Joining a Medicare drug plan could change how the person’s employer or union coverage works, both for the person you care for and any dependents covered by the plan.
- TRICARE, the Department of Veterans Affairs (VA), or the Federal Employee Health Benefits Program (FEHBP), contact his or her benefits administrator or insurer before making any changes. In most cases, it will be to the person’s advantage to keep his or her current coverage. However, in some cases, adding Medicare prescription drug coverage can provide the person you care for with extra coverage and savings, especially if he or she qualifies for extra help [see “Note” on page 11].

### [www.aarp.org](http://www.aarp.org)

Select “Health” for information on a variety of topics, including prescription programs and health issues.

## BASIC INFORMATION

Medicare drug plans are run by insurance companies and other private companies approved by Medicare. Each plan can vary in cost and drugs covered. To get Medicare drug coverage, the person you care for can join a Medicare drug plan.

There are two ways to get Medicare prescription drug coverage:

1. Join a **Medicare Prescription Drug Plan (PDP)**. These plans add drug coverage to the **Original Medicare Plan**, some **Medicare Cost Plans**, some **Medicare Private Fee-for-Service (PFFS) Plans**, and **Medicare Medical Savings Account (MSA) Plans**.
2. Join a **Medicare Advantage (MA) Plan**, like a **Health Maintenance Organization (HMO)** or a **Preferred Provider Organization (PPO)**, or another Medicare health plan that includes prescription drug coverage. You get all of your Medicare coverage, including prescription drugs, through these plans.

If the person you care for joins a Medicare drug plan, he or she usually pays a separate monthly premium in addition to his or her Part B premium. The amount of the monthly premium isn’t affected by the health status of the person you care for or how many prescriptions he or she uses.

**IMPORTANT:** Joining a Medicare drug plan when he or she is first eligible means the person you care for will pay the lowest possible monthly premium. If the person you care for doesn’t join a Medicare drug plan when he or she is first eligible and he or she goes without **creditable prescription drug coverage** for 63 continuous days or more, he or she may have to pay a late enrollment penalty to join a plan later. This penalty amount changes every year, and the person you care for will have to pay it as long as he or she has Medicare prescription drug coverage. If the person you care for qualifies for extra help (see “Note” on page 11), he or she may not have to pay a penalty.

## COVERAGE OPTIONS

**COSTS AND COVERAGE:** Most Medicare drug plans charge a monthly premium that varies by plan. The person you care for pays this in addition to the Part B premium. Costs and coverage for particular drugs will vary depending on which drugs the person you care for uses, which Medicare drug plan he or she chooses, and whether he or she gets extra help (see “Note” below) from Medicare to pay for prescription drug costs. Having a variety of plans to choose from gives people with Medicare the chance to pick a plan that meets their unique needs. Help the person you care for choose a plan that will allow the person to get the coverage he or she wants at the best price possible.

In most cases, if the person you care for joins a Medicare drug plan, coverage is effective the first day of the month after the month the person joins. Enrollment is generally for the calendar year. The person you care for can switch plans from November 15–December 31 each year if his or her coverage changes or his or her needs change. In this case, coverage begins January 1 of the following year.

**NOTE:** People with Medicare who have limited income and resources may get extra help to cover prescription drugs for little or no cost. If you think the person you care for may qualify for extra help, call Social Security at 1-800-772-1213, visit [www.socialsecurity.gov](http://www.socialsecurity.gov) on the web, or contact your State Medical Assistance (Medicaid) office. TTY users should call 1-800-325-0778.

If the person you care for decides to join a Medicare prescription drug plan, it is best to enroll early in the month. This gives the plan time to mail his or her membership card, acknowledgement letter, and welcome package before his or her coverage becomes effective. This way, even if the person you care for goes to the pharmacy on the first day of coverage, he or she can get prescriptions filled without delay.

For more information about Medicare prescription drug coverage, visit [www.medicare.gov](http://www.medicare.gov) on the web to get a free copy of “Your Guide to Medicare Prescription Drug Coverage.” Under “Search Tools,” select “Find a Medicare Publication.” You can also find information in the “Medicare & You” handbook your family member or friend gets in the mail in the fall. It includes detailed information about Medicare drug plans, including which plans are available in your area. You should contact the plans you are interested in for more details.

If the person you care for needs help choosing a Medicare drug plan that meets his or her needs, together, you can

- visit [www.medicare.gov](http://www.medicare.gov) on the web. Under “Search Tools,” select “Compare Medicare Prescription Drug Plans.”
- call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.
- call the State Health Insurance Assistance Program (SHIP) in your state for personalized help (see page 23 for their telephone number).
- attend a Medicare event in your community.

### **[www.fda.gov](http://www.fda.gov)**

The U.S. Food and Drug Administration website provides information about new prescription drug approvals; drug safety and side effects; public health alerts and warning letters; reports and publications; and special projects and programs.

### **[www.nlm.nih.gov](http://www.nlm.nih.gov)**

The National Library of Medicine website includes a guide to more than 9,000 prescription and over-the-counter medications provided by the United States Pharmacopeia (USP) in the USP DI® and Advice for the Patient®.

### **[www.phrma.org](http://www.phrma.org)**

The Pharmaceutical Research and Manufacturers of America (PhRMA) website contains a searchable directory of prescription drug assistance programs that are available from PhRMA members. Select “Patient Assistance Programs.”